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SUGAR REPORTS

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MARKET REVIEW

Deliveries for U. S. consumption through November 25, 1961, totaled 8,710,000 tons, 305,000 more than for the corresponding period last year. While this increase is attributable mainly to the high rate of beet sugar deliveries, the tempo of refiners' deliveries also has quickened during recent weeks.

This improved rate of refiners' deliveries is associated with the October reduction of 130,000 tons in non-quota sugar authorized for purchase in 1961, the probability of shortfalls by some other supplying countries in 1961, and the Secretary's earlier announcement that he was considering a determination of consumers' sugar requirements of 9,500,000 tons for 1962. Refiners' deliveries through October 14, 1961 were 6,000 tons above those of 1960 for the same period. During the next six weeks this margin increased 124,000 tons so that through November 25, 1961 refiners' deliveries were 130,000 tons above those of the comparable period last year. The accelerated volume is in response to a higher level of prices for raw sugar and announcements of increases in refined sugar prices in the Northeast and Chicago-West territories.

Beet sugar deliveries through November 25, 1961 totaled 2,367,000 tons or 432,000 tons more than for the same period last year. With calendar year marketing allotments at 2,609,000 tons, the maximum deliveries during the balance of the year would be 242,000 tons which would be 12,000 tons more than last year's deliveries during this same period. There was a negligible quantity of constructive deliveries of beet sugar during 1960 and continuation of the rate of beet sugar physical deliveries of recent weeks would leave little for such deliveries within the 1961 quota. Earlier, it had appeared that constructive deliveries by beet sugar marketers would be substantial.

The November crop report reduced the estimate of 1961 crop sugar beet production by 500,000 tons from that reported in October. Based on a five year (1956-60) average rate of recovery the estimated production of about 18,300,000 tons of beets would yield about 2,650,000 short tons, raw value, of beet sugar. However, indications are that sugar recovery is below that of the five year average and beet sugar production from the 1961 crop may be less than the 1961 beet sugar marketing quota. If this proves to be the case, the January 1, 1962 effective inventory would be

smaller than the 2,005,000 tons at the beginning of 1961 but still larger than in most recent years relative to the annual equivalent of any quota likely to be established for the first half of 1962. The progress reports on the mainland cane crop harvest and processing, so far, have been highly favorable.

The quoted price for refined cane sugar in the Northeast increased 0.15 cent per pound to 9.30 cents per pound for 100 pound bags at the close of business November 22. In the Chicago-West territory both refined cane and beet sugar prices increased .20 cent per pound on November 13 making the refined cane sugar price 8.80 cents per pound and beet sugar 8.60 cents. Prices for direct shipments increased 0.20 cent on November 13 and an additional 0.10 cent on November 20 and the price for direct deliveries to the Chicago switching district became 9.20 cents for refined cane sugar and 9.00 cents for beet sugar. Effective November 24 the 0.15 cent day to day allowance was withdrawn in the lower Pacific Coast states and the quotation in that territory for both beet and cane sugar was 8.80 cents per pound. Beet sugar continued to be quoted at 8.65 cents in the balance of the Pacific Coast territory with refined cane sugar 8.65 cents in Oregon and Washington but 8.75 cents in the other states in this territory. The wholesale price of refined cane sugar in the Gulf and Southeast continued to be quoted at 9.00 cents per pound as of November 24.

During the first 24 days of November the spot price of raw sugar, duty paid at New York averaged 6.29 cents per pound and a price of 6.31 cents was quoted from the 16th through the 24th. The average spot price of raw sugar for calendar year 1961 through November 24 was 6.29 cents or .01 cent higher than for the same period last year.

The world market price for raw sugar on November 24 was 2.55 cents per pound as reflected in the spot quotation of the New York Coffee and Sugar Exchange for their No. 8 contract. The quotation for the same day was 2.47 for their new No. 9 contract which permits deliveries of European raw beet sugar as well as cane sugar. During the period November 8 through 22 all spot quotations for the No. 8 contract were 2.48 cents, a new post-war low, with 2.40 cents prevailing for the No. 9 contract.

The conference negotiating quotas for the final two years of the current International Sugar Agreement will reconvene in Geneva on December 7, 1961. The conference began on September 12, 1961 and recessed on

October 23 without reaching agreement on the matters under negotiation. During the recess, members of the negotiating committee are holding regional consultations in preparation for resumption of the Conference. Conferences were scheduled in Prague for Eastern European countries, in Copenhagen for Western European countries, in Ottawa for the Americas, with additional discussions in Washington, London, Moscow, and Havana.

THE UNITED STATES SUGAR PROGRAM^{1/}
Including changes in 1960 and 1961

The Sugar Industry. Per capita consumption of refined sugar in the continental United States averages about 97 pounds per year. Well over half of the tremendous quantity of sugar required to meet this consumer demand is being supplied by domestic growers of sugarcane and sugar beets, only slightly less from beets than from cane. The balance, almost all cane sugar, is imported.

The mainland sugarcane producing area consists of the states Louisiana and Florida. The offshore domestic sugarcane areas are the state of Hawaii, the Commonwealth of Puerto Rico and the Virgin Islands. The sugar beet producing area consists of the following 21 states (arranged in decreasing order of production importance in the 1960 crop): California, Colorado, Idaho, Minnesota, Nebraska, Michigan, Montana, Washington, Wyoming, North Dakota, Utah, Oregon, Ohio, Kansas, South Dakota, Wisconsin, Texas, Illinois, Iowa, New Mexico, and Nevada.

About 45,000 domestic farms grow sugarcane or sugar beets. To cultivate and harvest these sugar crops about 220,000 farm workers are required, mostly on a seasonal basis. The farm investment in growing sugarcane and sugar beets in all domestic areas was estimated as about 750 million dollars in 1959 and has increased since that time.

To produce the refined sugar commonly used in American households most sugar produced from sugarcane goes through two stages of processing. The first process, which yields raw cane sugar, is that of extracting, boiling, crystallizing and centrifuging the cane juice. This is done in raw cane sugar mills in the areas where the sugarcane is grown.

^{1/} Also available as Background Information statement number 19, December 1961, ASCS Information Division.

Blackstrap molasses and bagasse are byproducts of this first processing of sugarcane juice. The former is used for cattle feed and for manufacture of ethyl alcohol, yeast, vinegar, and citric acid. Bagasse, the fibrous portion of sugarcane, is used principally as fuel in the cane mills and as raw material in the manufacture of building board, cardboard, and paper.

Most of the cane sugar brought to the mainland from offshore areas, both foreign and domestic, is in the raw form. It is put through the second process -- the refining process -- in refineries, most of which are located in large port cities. A few refineries, however, are located in producing areas and some are located at interior points of consumption. Refined sugar, refiners' sirups, and refiners' blackstrap molasses result from this second process.

In contrast to the dual processing of cane sugar, sugar from beets is processed in a single plant. The principal byproducts are beet molasses and beet pulp. The pulp is used for cattle feed. Beet molasses, like blackstrap, is used as an ingredient in cattle feed and in the manufacture of yeast and citric acid. A substantial quantity of beet molasses is put through the Steffen's process for additional extraction of sugar. The resultant Steffen's waste is used to produce monosodium glutamate, a condiment.

In the domestic areas, 63 beet sugar factories, 108 cane sugar mills, and 28 refineries were in operation in 1961. Approximately 55,000 workers were employed in these sugar-making plants. One additional beet factory (in California) and 4 additional cane sugar mills (in Florida) are under construction with two more committed. The investment is nearing one billion dollars.

The Sugar Act and How it Works

How the Act Developed. For almost 150 years -- from 1789 to 1934 -- the United States sugar industry was protected and regulated almost solely by tariff duties. With the onset of the world-wide depression in the early 1930's, however, it became clear that the industry had become so ramified and price and production relationships among domestic and foreign producing areas so complex that further adjustments in the tariff duties would no longer provide an adequate answer to the problem.

To meet this situation, the Jones-Costigan Act was approved by the President on May 9, 1934. Although there have been modifications made in various operating provisions, the basic philosophy underlying this Act has been carried forward in subsequent legislation. The Act set forth six principal means for dealing with the sugar problem:

- (1) The determination each year of the quantity of sugar needed to supply the nation's requirements at prices reasonable to consumers and fair to producers.
- (2) The division of the United States sugar market among the domestic and foreign supplying areas by the use of quotas and subordinate limitations on offshore direct-consumption sugar.
- (3) The allotment of these quotas among the various processors in each domestic area.
- (4) The adjustment of production in each domestic area to the established quotas.
- (5) The use of tax receipts to finance payments to compensate growers for adjusting production to marketing quotas and to augment income, and
- (6) The equitable division of sugar returns among beet and cane processors, growers, and farm workers.

The Jones-Costigan Act was superseded by the Sugar Act of 1937, which in turn was superseded by the Sugar Act of 1948. The latter, with modifications made by amendments in 1951, 1956, 1960 and 1961 is the Act in effect through June 30, 1962, subject to further action by the second session of the 87th Congress to convene in January 1962.

How the Act Works

The Sugar Act of 1948, as amended, is designed to protect the welfare of the domestic sugar industry, to provide adequate supplies of sugar for consumers at fair prices, and to promote international trade. This balance of interests is achieved through the adjustment of supplies of sugar that may be marketed in the United States.

The Determination of Sugar Requirements. Under provisions of the Act, the Secretary of Agriculture determines how much sugar will be needed to fill continental United States requirements during each calendar year. The determination, which is made in December for the year following but may be revised later if the needs change, establishes the quantity of sugar that may be marketed in the United States during the year.

In making his initial estimate the Secretary uses as a basis the quantity of sugar distributed during the preceding 12-month period ended October 31. Then he makes allowances for deficiencies or surpluses in the nation's sugar inventories and for changes in consumption caused by changes in population and in demand conditions. The Secretary also considers the relationships between wholesale prices for refined sugar and the cost of living so that sugar prices will be neither excessive to consumers nor too low to protect the welfare of the domestic sugar industry.

Since World War II, the Secretary has held a public hearing each year (except for 1961 and 1962) at which all interested persons -- sugarcane and sugar beet growers, industrial users and other consumers, distributors, refiners, and beet and cane processors -- may present views or arguments on the matter. The meeting is usually held in November, a few weeks before the requirements determination is issued. Written statements may also be submitted to the Secretary.

The Secretary must also determine requirements for consumption in Hawaii and Puerto Rico so that the general price and marketing objectives will be similar in all American markets.

Establishing Quotas for Domestic and Foreign Producing Areas. After the Secretary has determined overall requirements, each domestic and foreign producing area supplying the United States with sugar is assigned a quota representing its share of the market as specified by the Act. Under amendments enacted in July 1960 and March 1961, the President determines, notwithstanding any other provisions of Title II, the quota for Cuba for the period ending June 30, 1962 in such amounts, less than would be provided in Title II, as he finds to be in the National interest and causes or permits to be imported from other sources a quantity of sugar not in excess of the reductions in quotas made under this new provision. The quantities thus provided for under the proclamations of the President are called "allocations" and "authorizations" of "non-quota

purchase sugar" to distinguish them from the quotas established under the long-standing provisions of the Act. (see page 11).

Under the quota provisions the domestic sugar-producing areas are assigned a base of 4,444,000 short tons, raw value,^{1/} plus 55 percent of requirements in excess of 8,350,000 tons. Specific quantities of the domestic share of the increment between 8,350,000 tons and 8,691,818 tons are allocated to individual domestic areas. The domestic share of requirements in excess of 8,691,818 tons is prorated among domestic areas on the basis of their quotas at that level.

The quota for the Republic of the Philippines is fixed at 952,000 tons of sugar (currently 980,000 tons, raw value). Quotas for Cuba and "other foreign countries" (the latter are sometimes called "full duty countries" to distinguish them from Cuba and the Philippines) vary each year, the exact amount depending on the tonnage set by the Secretary's sugar requirements determination.

The proration to the various domestic and foreign supply areas at the specified levels of proration is shown on the following page. Most of the quotas for the domestic offshore and foreign supply areas may be filled only with raw sugar, which is defined as sugar which is to be further refined or improved in quality on the mainland. Other sugar is called "direct-consumption sugar," and includes primarily white refined and other types of sugar familiar in home consumption.

Prior to 1960, about 650,000 tons of direct-consumption sugar were entered from offshore domestic and foreign areas each year. In 1960 the quantity was much smaller and in 1961 only one-half as large. Unrestricted imports of refined sugar would reduce the volume of mainland refining and would create price problems because offshore direct-consumption sugar is quoted at lower prices than sugar refined in the United States.

1/ Raw value is the term used in the Sugar Act to express in a common unit the various types of raw and refined sugars that move in commerce. One ton of refined sugar equals 1.07 tons of sugar, raw value.

Proration of Quotas

Area	:	:	:
	: Quotas	: Quotas of	: Percentage
	: when total	: domestic areas	: proration for
	: quotas are	: when total quotas	: total quotas in
	: 8,350,000	: are 8,691,818	: excess of basic
	: tons	: tons	: levels shown
	:	:	: in columns
	:	:	: (1) or (2)
	(1)	(2)	(3)

	<u>short tons , raw value</u>		<u>percent</u>
<u>Domestic</u>			
Domestic beet sugar	1,800,000	1,884,975	22.3821
Mainland cane sugar	500,000	580,025	6.8871
Hawaii	1,052,000	1,052,000	12.4914
Puerto Rico	1,080,000	1,100,000	13.0613
Virgin Islands	12,000	15,000	.1781
Total domestic	<u>4,444,000</u>	<u>4,632,000</u>	<u>55.0000</u>

<u>Foreign</u>			
Philippines	980,000		0
Cuba	2,808,960		29.5900
<u>Full Duty Countries</u>	117,040		15.4100
Peru	50,062		4.3300
Dominican Republic	29,482		4.9500
Mexico	11,259		5.1000
Nicaragua	8,001		.5739
Haiti	4,820		.2090
Netherlands	3,000		.0696
China (Formosa)	3,000		.0594
Panama	3,000		.0594
Costa Rica	3,000		.0587
Canada	631		0
United Kingdom	516		0
Belgium	182		0
British Guiana	84		0
Hong Kong	3		0
Total foreign	3,906,000		45.0000
Grand total	8,350,000		100.0000

Non-quota purchase sugar. Sugar to replace a Presidential reduction of the quota for Cuba is directed in the Act to be apportioned as follows:

1. Any foreign country with a quota between 3,000 and 10,000 short tons, raw value, shall be permitted to enter a total of 10,000 tons during the calendar year;
2. Fifteen percent of the remainder shall be purchased from the Republic of the Philippines;
3. The balance, including any unfilled balances from allocations already provided, shall be purchased from foreign countries having quotas other than those provided in 1 above, prorated according to quotas established, except that any amount which would be purchased from any country with which the United States is not in diplomatic relations need not be purchased;
4. Any additional amounts needed may be purchased from any foreign country without regard to allocation except that for the period April 1961 - June 1962, special consideration shall be given to countries of the Western Hemisphere and to those countries purchasing United States agricultural commodities.

To the extent that the President finds that raw sugar is not reasonably available, direct-consumption sugar may be permitted or caused to be imported. Of the total replacement of Cuban sugar in 1960, about 967,000 short tons, raw value, were authorized for purchase under the formula outlined in items 1, 2 and 3, above, about 233,000 tons were authorized under item 4 by the Secretary of Agriculture with the concurrence of the Secretary of State, as provided in the Proclamation of the President and 236,000 tons were not allocated. In 1961 the three corresponding quantities were about 1,874,000 tons, 1,243,000 tons, and 180,000 tons respectively.

The distribution of our total sugar supply in 1959, the last year in which Cuba's quota was established in the traditional manner, and for 1960 and 1961 is shown in the table below. The adjusted quotas shown for Hawaii and Puerto Rico and in 1959 and 1960 for the Virgin Islands show "deficits." Those for the other domestic areas and for Cuba (1959 only) include their shares of the deficits. The domestic area quotas were not entirely filled in 1959 (by about 155,000 tons) or in 1960 (by about 600,000

tons). Fairly substantial shortfalls in 1961 foreign authorizations were in prospect late in the year. Thus, the supplies actually becoming available within the total quotas and authorizations were about 9,245,000 tons for 1959, 9,520,000 tons for 1960 and perhaps about 9,700,000 tons for 1961.

Table 1. Sugar quotas and non-quota purchase authorization, 1959, 1960 (final); 1961 in effect November 20

Area	1959	1960	1961
Short tons, raw value			
Domestic Beet	2,267,665	2,514,945	2,609,170
Mainland Cane	697,783	773,873	715,000
Hawaii	977,970	940,444	1,030,000
Puerto Rico	969,875	893,620	980,000
Virgin Islands	12,405	8,618	17,330
Republic of the Philippines	980,000	1,156,426	1,470,731
Cuba	3,215,457	2,419,655	0
Peru	95,527	273,827	636,377
Dominican Republic	81,457	452,814	333,880
Mexico	64,809	400,437	685,000
Nicaragua	14,027	41,766	43,368
Haiti	7,014	35,672	45,273
Netherlands	3,731	10,556	10,000
China (Formosa)	3,624	10,476	170,028
Panama	3,624	10,476	10,000
Costa Rica	3,616	10,469	30,250
Canada	631	2,288	1,897
United Kingdom	516	1,871	1,550
Belgium	182	660	1,635
Hong Kong	3	11	30
Federation of the West Indies and British Guiana	84	92,849	266,007
El Salvador	0	6,000	12,000
Guatemala	0	6,000	17,000
Brazil	0	100,347	306,474
Ecuador	0	0	36,000
Colombia	0	0	46,000
French West Indies	0	0	75,000
Australia	0	0	90,000
Paraguay	0	0	5,000
India	0	0	175,000
Sub-total	9,400,000	10,164,100	9,820,000 ^{1/}
Not authorized for purchase	-	235,900	180,000
Total	9,400,000	10,400,000	10,000,000

^{1/} Of this quantity, approximately 14,900 tons were not imported by March 31, 1961, and cannot be authorized for importation after that date.

Deficits in Quotas. If the Secretary finds that any domestic area or Cuba cannot supply its quota, he must allocate the deficit among the rest of these areas in proportion to their quotas, except that Cuba does not share in any deficit of a domestic area quota after mid-1960 nor prior to that time in any deficit in that part of the quota resulting from sugar requirements in excess of 8,350,000 tons. For example, in 1961, Hawaii and Puerto Rico were able to supply less than the quotas provided for within an 8,350,000 ton total. In this year their entire deficits were shared by the Domestic Beet and Mainland Cane Sugar Areas, including 69,542 tons that would have been Cuba's share as provided in the Act prior to 1960.

Deficits in the quotas for the Republic of the Philippines, under pre-1960 provisions, were allocated 96 percent to Cuba and 4 percent to other foreign countries. A deficit in an individual other foreign **country** proportion is allotted among the remaining countries of the "other foreign countries" group. Cuba is assigned any deficit in the overall quota for this group.

If any area is unable to fill the deficit assigned to it, the deficit may be reapportioned to such other areas as the Secretary determines is necessary to obtain the sugar.

A deficit determination does not deprive any area or country of the right to supply its full quota if it later finds itself able to do so. This does not apply, however, to non-quota purchase allocations which may be withheld or withdrawn from authorization.

Establishing Marketing Allotments. One important function of the sugar program is to promote orderly marketing. The establishment of quotas may in itself accomplish this, but sometimes quotas are not enough. This is particularly true when supplies in the producing areas materially exceed quotas. If, for example, a domestic area has more sugar available for marketing than its quota, each of the various processors is likely to rush sugar to market to make sure that he disposes of his supply before the quota is filled. This tends to bring about a temporarily oversupplied market and panicky sellers and usually causes an unwarranted decline in price.

If the Secretary finds that the pressure of supplies in an area is likely to cause disorderly marketing, he must allot the quota fairly among the processors. The allotment is based on past marketings of sugar by the

various processors, their ability to market sugar during the season for which the allotment is being made, and on their sugar processings from beets or cane to which "proportionate farm shares" pertain. In 1961, only the quota for the Domestic Beet Sugar Area was allotted.

Assigning Proportionate Shares. In the domestic areas, the Secretary must, in addition to establishing processor allotments, see that each sugar-producing farm gets its fair share of the available market. In dividing this market the Secretary must allow for enough sugar to fill the quota for the applicable year and to provide a normal carryover inventory. If the crop prospect is for this or a smaller amount of sugar, production is unrestricted on all farms. Each farm allotment, known as its "proportionate share," is expressed either in acres, tons of sugar-cane or beets, or quantity of sugar.

The purpose in assigning specific shares to farms in a particular area is to adjust crop output to the area's quotas and normal carryover and to assure that each farm will share equitably in this adjustment. Thus past production and the ability of the farm to produce beets or cane during the year for which the determination is being made must be considered. The Act also requires the Secretary to protect the interests of small and new producers and producers who are tenants or sharecroppers, and to consider the interest of producers in any local producing area where past production has been seriously affected by abnormal and uncontrollable natural conditions. For farms in all domestic areas for the 1961 crop the specific shares were the acreages actually harvested for sugar. In other words, there were no individual farm restrictions. By late November 1961, it had been determined that the same would be true for the 1962 crop for all cane sugar areas but the determination had not been issued for the beet sugar area.

Producers are not required to stay within their assigned proportionate shares. They must do so, however, if they wish to receive "conditional payments" from the Government. These payments are an important part of their income. Generally, too, processors are reluctant to buy sugar-cane or sugar beets from non-proportionate share acreage.

Conditional Payments to Growers. In addition to providing an incentive to growers to adjust their production to quota and carryover needs, the conditional payments have three objectives: (1) to help give growers adequate income from sugarcane and sugar beet production; (2) to assure growers and their fieldworkers a fair share of the returns to the sugar industry; and (3) to prevent the employment of child labor in field work.

The first objective is automatically achieved by the payment itself. The second and third objectives are attained by requiring growers, in addition to complying with their proportionate shares, to pay field workers in full for work performed on cane or beets at rates not less than those determined by the Secretary to be fair and reasonable, to observe child labor regulations specified by the Act, and -- if they are processors as well as growers -- to pay fair prices for cane or beets purchased from other growers.

The child labor regulations require that growers must not employ children under the age of 14 nor permit them to work on sugar beets or sugarcane. Children between the ages of 14 and 16 may not be employed or permitted to work for more than 8 hours a day. Growers who own at least 40 percent of the crop they are cultivating are exempted from these provisions with respect to their own children. Unless a grower observes these conditions he is penalized by a deduction of \$10 from his payment for each child and for each day or part of a day during which a child was employed or permitted to work.

The rate of the conditional payment declines as the volume of commercially recoverable sugar contained in the cane or beets marketed by the farm increases. The basic rate of 0.8 cent a pound of sugar, raw value, or \$16.00 a ton, is paid on the first 350 short tons produced. This rate is reduced progressively to a minimum of \$6.00 a ton on all sugar produced in excess of 30,000 tons.

Cost of the Program. Although the funds for the conditional payments are appropriated annually by the Congress, an excise tax on sugar provides funds which more than offset the total of all conditional payments plus the costs incurred by the Department of Agriculture in administering the sugar program. The basic tax rate is 0.5 cent a pound or \$10.00 a ton, raw value. On domestically manufactured sugar the tax is paid principally by sugar beet processors and cane sugar refiners; on imports of direct-consumption sugar it is paid by the importer. The tax is refunded on sugar used for livestock feed and on sugar exported.

The twelve year (1948-59) average rate of payment to all domestic growers was 68 cents a hundred pounds, ranging from an average of 46 cents in Hawaii, where most of the production is on large farms, to an average of 79 cents in the beet area. The average rate of payment thus exceeds the tax rate (50 cents a hundred pounds) even though total tax receipts exceed the cost of the program. The seeming paradox is ex-

plained by the fact that the tax is imposed on all sugar (foreign as well as domestic) manufactured or imported for direct consumption, whereas the conditional payments are made on domestic production only.

The sugar program also gives limited benefits to growers in the form of special conditional payments for crop deficiency or abandonment caused by drought, flood, storm, freeze, disease, or insects. For a farmer to be eligible for these payments, the natural disaster must cause damage to all or a substantial part of the crop throughout the local producing area in which the farm is located.

Program Administration. The State and county Agricultural Stabilization and Conservation (ASC) committees are responsible for local administration of both the farm proportionate share (acreage allotment) and the conditional payment parts of the program. This local administration is based on procedures and program regulations developed by the Sugar Division of the Agricultural Stabilization and Conservation Service in Washington and approved by the ASCS Administrator and the Secretary of Agriculture.

All regulations issued under the authority of the Sugar Act are first made public through a U. S. Department of Agriculture press release. They are published in the Federal Register a few days later. They are codified as Title 7 Chapter VIII of the Code of Federal Regulations.

Certain regulations must be preceded by public hearings. These are marketing allotment orders, fair price and fair wage determinations, and the determination of processes and qualities which distinguish raw sugar from direct-consumption sugar.

Other regulations may be issued without public hearing, but it has become customary, as noted earlier, to hold a hearing in November of each year on the initial sugar requirements for the following year. Informal public hearings are also held when restrictive proportionate share regulations for individual farms are under consideration.

The Quota Premium

The limitation that the quota system puts on total marketings of sugar in the United States brings about what is called a "quota premium." The premium is the difference, over and above tariff and freight, between the price at which raw sugar is sold for consumption in the United

States and the price for sugar sold to other countries at the so-called "world free market price." During 1958-61 the quota premium has averaged about 2.2 cents a pound.

The world free market price is actually a residual or marginal price at which only a small part of the world supply of sugar is sold. Most of the sugar produced in the world is consumed in the countries where it is produced, and generally the growers and processors in these countries are paid a much higher price for their product than the world free market price, just as the producers in the United States are. Moreover, of the 30 percent of world sugar production which moves in international trade, about half moves under protected pricing systems such as the preferential trade arrangements under which sugar moves to British, French, and Portuguese metropolitan markets from their respective overseas supplying areas and the quota arrangements under which foreign sugar is imported into the United States. If one eliminates these trade-preference supplies and the double-counting which takes place when world free market sugar is imported into a country for refining and then is exported again, the total supply of free market sugar equals only about one-eighth of total world sugar production.

With such relatively small free market available for sugar, the price for this sugar has fluctuated widely over the years. It is extremely sensitive to any major international disturbance or threat to world peace. Within the last 12 years the world free market price reached highs of 8.05 cents a pound in June 1951 (the Korean crisis) and 6.85 cents in April 1957 (the Suez and Hungarian crises) and dropped to a low of 2.48 cents in November 1961.

In contrast to these wide fluctuations, the price of raw sugar in the United States under the quota system has been relatively stable. Since 1951, the price of raw sugar in the United States, on a duty-paid basis, has ranged between a high of 6.80 cents a pound and a low of 5.65. The quota system thus has served to eliminate both the extremely high prices for sugar, which are hurtful to consumers, and the extremely low prices which are disastrous to producers.

In 1950-51 and again in 1957 when the quota premium turned into a discount, foreign countries supplying the United States under the quota systems continued to make this sugar available even though larger returns could have been realized by selling the sugar in other markets.

The predominance of Cuba, as a foreign supplier, particularly in meeting unexpected changes in our needs, made her the decisive factor in this stabilizing effect of the quota premium on U. S. sugar prices. The dispersion of our foreign supply sources after mid-1960 altered the role of the quota premium.

LABOR PRODUCTIVITY ON SUGAR BEET
AND SUGARCANE FARMS IN
THE UNITED STATES ^{1/}

Introduction

Estimated man-hour requirements for producing sugar beets and sugarcane have been published in the September issues of Sugar Reports for a number of years. This article examines the changes in labor productivity in the farming segment of the domestic sugar industry in total and for each of the producing areas, and relates such changes to some of those which have occurred in man-hour and other production inputs during the past 15 years. Labor productivity as used in this study is defined as the ratio of raw sugar output to man-hour inputs.

The index numbers used as the basis for comparison in this article are related to the generally accepted base period of 1947-49. Table 26 in Sugar Reports No. 113, issued in September 1961, shows most of the comparative data used in this analysis for each of the producing areas. In some instances the numerical data used are shown in this article or may be computed from the data referred to above. Comparable information is not available prior to 1946.

Changes in labor productivity

Recently, the Secretary of Agriculture pointed out that the technological revolution in American agriculture has enabled productivity of farmworkers to increase about 6 percent per year in the last decade -- while worker productivity in the non-farm sector has gained only about 3 percent a year. The productivity gain for sugarcane and sugar beet farms, adjusted to the same 3-year moving average basis as the data for agriculture as a whole coincidentally, was also about 6 percent during the last decade.

The domestic sugar beet and sugarcane industries in 1960 produced almost 1.0 million tons more sugar, using 100 million fewer man-hours than annually during the 1947-49 period. By 1960, output per man-hour

^{1/} Excluding the Virgin Islands area, which produces an average of less than 10,000 tons of raw sugar annually.

had increased 91 percent, equal to about 8 percent annually, a little higher than the 6 percent which was calculated using a 3-year moving base. The sharpest increase occurred during the 1952-56 period. (Figure 1).

In terms of the base period 1947-49, for 1960 Florida with an index of 265 and Louisiana with an index of 237 had the largest annual rates of productivity gain, 15.0 and 12.5 percent, respectively. These average annual rates of gain for the other areas were 7.2 percent in the Beet Area, 6.8 percent in Hawaii, and 4.3 percent in Puerto Rico. Hawaii had experienced a much higher rate of productivity gain during the 1940's than the other producing areas.

Labor productivity had doubled in relation to the 1947-49 average in Florida by 1952 and in Louisiana by 1954. The rate of growth in Hawaii was greater during the first half of the 1950's than during the second half. Productivity in Puerto Rico increased about 40 percent by 1955 but advanced only nominally after that. About two-thirds of the 79 percent increase in labor productivity in the Beet Area occurred after 1955.

The varying rates of change, noted above, applied to different levels of productivity in the several areas in the base period and the levels in 1960 still differed widely. Hawaii led all domestic areas in sugar produced per man-hour in all years, followed by Florida, the Beet Area, Louisiana and Puerto Rico.

Factors influencing labor productivity

New varieties of sugarcane and sugar beet seed and improved production techniques have been the most important of the many forces behind changes in labor productivity. Improved techniques include the use of specialized machines for planting, cultivating, and harvesting; changes in cultural practices; application of improved or new fertilizers, weed-icides, and pesticides; and better informed management. Other important forces affecting labor productivity are the increasing average size of the cane or beet enterprise; availability of labor; the attitudes of workers; levels of competitive wage rates; and the need for producing a raw product more suitable to efficient processing. The underlying causes and the operations in which efficiencies have been realized differ among the several producing areas.

LABOR PRODUCTIVITY ON SUGAR CANE AND SUGAR BEET FARMS

Indexes, 1947-49=100

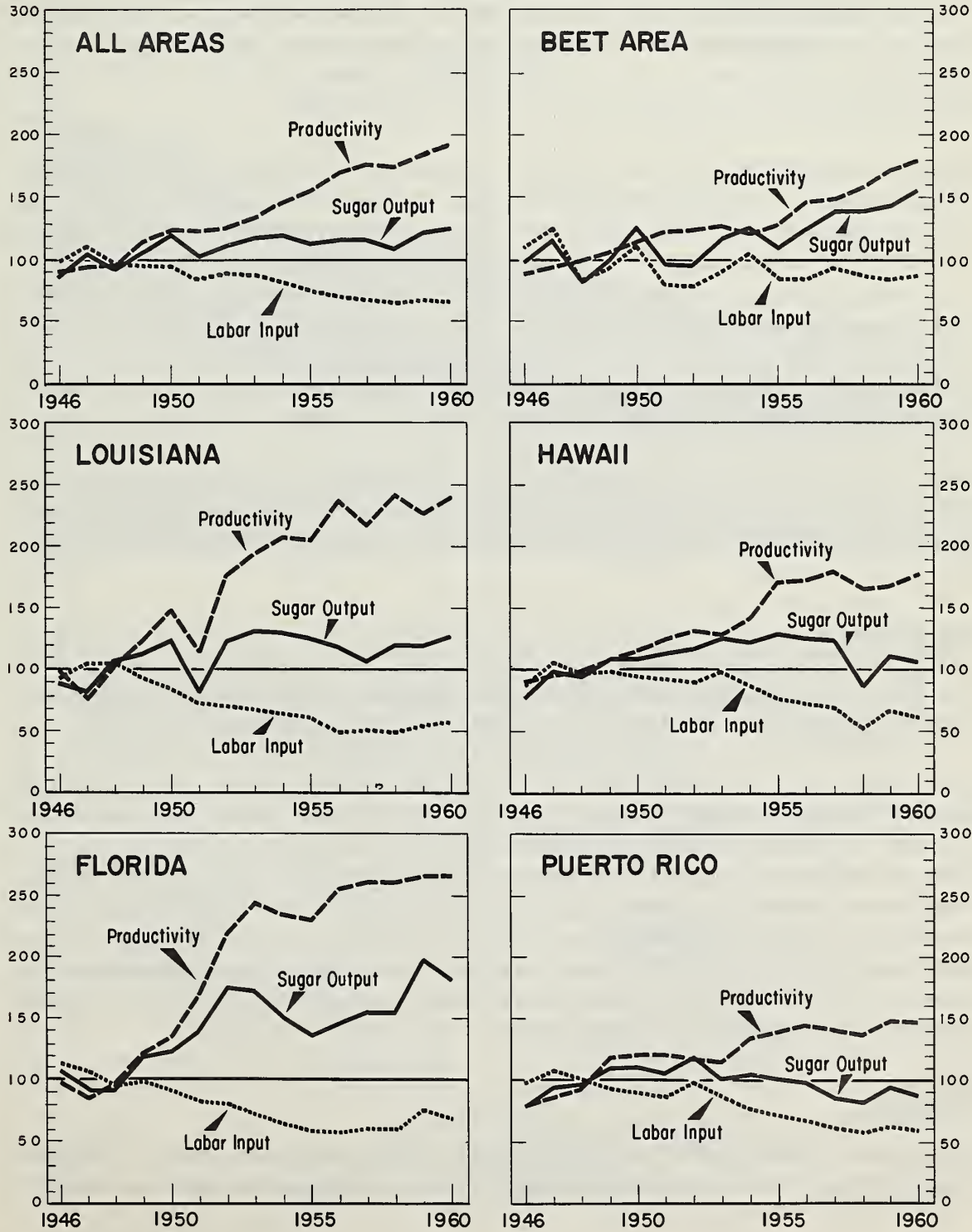


Figure I

Improvements in production efficiency over the long term have required research and added capital investment. To make the necessary decisions for capital expenditures for technological progress, the domestic sugar producers have had a more comfortable climate of price stability than that experienced by producers of other farm crops.

Improved productivity also may be expressed as reductions in man-hours required per ton of sugar produced. For all areas collectively, man-hour requirements fell from about 72 in the base period, 1947-49, to about 37.5 in 1960 -- a decrease of 48 percent. Summarizing for all areas, reductions in man-hour requirements were made in every field operation but the most significant savings were accomplished in cultivating and harvesting. (Figure 2). These savings were due in part to the increasing percentages of acreage mechanically thinned and mechanically harvested in selected areas as shown in Figure 3.

The use of labor in individual field operations is more graphically expressed in "man-hour requirements" than "productivity indexes" which accounts for the use of man-hours per ton of sugar in the following discussion by areas.

Louisiana

Sugarcane production in Louisiana has been frequently affected by disease and freeze. Since the beginning of World War II the supply of labor declined due to the exodus of workers and the competition for workers by new industries in and around the sugarcane belt. Thus, the important technological improvements in Louisiana have been directed toward improved varieties of sugarcane which would be disease and freeze resistant, the development of mechanical harvesters to replace hand labor, and the substitution of mechanical and chemical weed controls for hand weeding. Total man-hours per ton of sugar in Louisiana in 1960 had declined almost 60 percent compared with the average man-hour requirements in 1947-49. The gains in efficiency were widespread throughout all phases of sugarcane production.

Florida

Sugarcane production in Florida has been relatively free of disease hazards and, in more recent years, freeze damage has been minimal.

MAN HOURS PER TON OF SUGAR FOR PRODUCTION FUNCTIONS

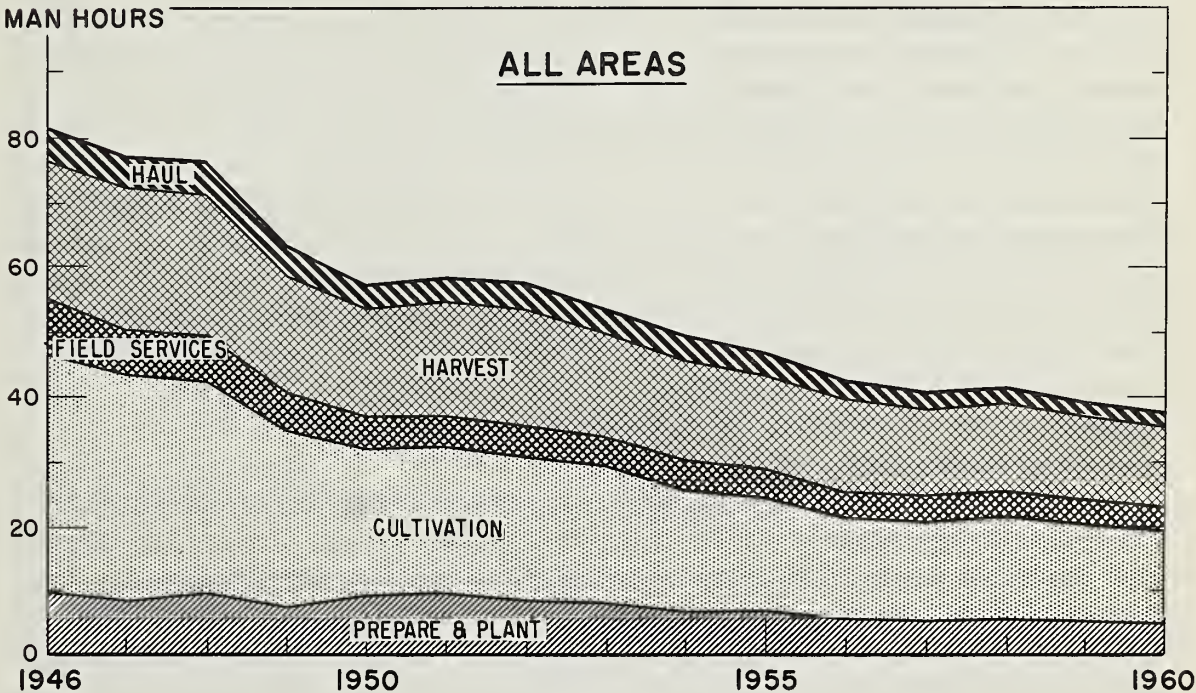


Figure 2

PERCENTAGE OF SUGARCANE AND SUGAR BEET ACREAGE MECHANICALLY HARVESTED AND PERCENTAGE OF SUGAR BEET ACREAGE MECHANICALLY THINNED

Selected Areas, 1946-1960

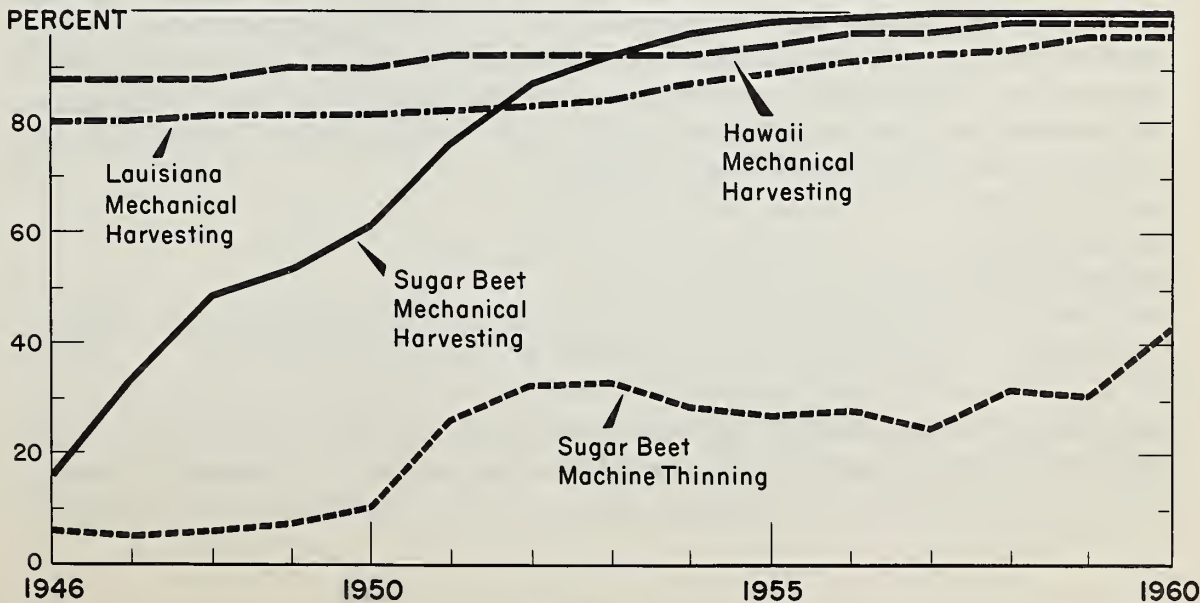


Figure 3

Recurrent weed growth is a problem because sugarcane is grown largely on high nitrogen muck lands. Because of the porous nature of the soil, the heavy, recumbent growth of cane and other factors, mechanical harvesting has not been developed. Production efficiencies have been achieved primarily through the development of new varieties of cane, improvements in tillage and cane loading equipment, weedicides, and incentives to improve the hand labor operation of cutting sugarcane. Man-hour requirements per ton of sugar have declined about 65 percent since 1947-49. Notable achievements in the reduction of man-hour inputs are observed for all aspects of production, particularly in preparation, planting and cultivating.

Hawaii

Sugarcane production in Hawaii, generally, has not been subject to natural hazards except on the Island of Hawaii where excessive rainfall and volcanic action have at times adversely affected production. The major factors encouraging technological change have been the long established and extensive research program of the industry and the high wage rates negotiated between the industry and the labor union. On the other hand, several protracted strikes during the past 15 years have had serious impact on sugar production and efficiency. Since Hawaii had adopted many labor saving practices prior to 1946, (mechanical harvesting was first introduced in 1937), the gains in productivity during the period reviewed do not fully reveal that in terms of man-hour requirements this area is the most efficient sugarcane producing region in the world. Man-hour requirements in 1960 were about 43 percent less than the average for the period 1947-49, but in that base period man-hour requirements per ton of sugar were less than three-fourths of those for the most efficient of the other domestic areas. Despite this, substantial reductions in man-hours per ton of sugar have been realized during recent years in most field operations.

Puerto Rico

In Puerto Rico sugarcane production has been influenced by drought, hurricane, adaptability of mechanization to local conditions, a reduction in the harvesting labor supply due to migration of workers to the mainland, restrictions by labor unions on the use of weedicides, mechanizations and piecework, and by lack of emphasis on research. During recent years the labor unions appear to have modified in some degree

their earlier opposition to labor saving techniques. The Commonwealth government has instituted subsidy and credit programs designed to improve sugarcane production efficiency. Man-hour requirements per ton of sugar in Puerto Rico have declined about one-third from the average of 1947-49. The most significant reduction in man-hours appears in cultivation work as a result of better mechanical weed control, the increased use of weedicides and in some instances by decreasing the emphasis on certain operations. Sugarcane is cut by hand except where mechanical harvesters are used experimentally, and most cane is loaded by hand although many larger units utilize mechanical loaders. The cutting and loading of sugarcane accounts for almost one-half of the total man-hour requirements compared with 20 percent in Louisiana and Hawaii where almost all sugarcane is mechanically harvested. As in all the domestic areas, the variability in man-hour requirements is extensive and there are some farms in Puerto Rico which rank well in terms of efficiency.

Beet Area

The sugar beet area long had been characterized as requiring large amounts of "stoop" labor. Shortages of hand workers during World War II encouraged the development of mechanical harvesters, but it was not until the early 1950's that the crop was predominantly machine harvested. In the mid-1940's multiple-germ "whole" seed was largely replaced by "processed" segmented seed which reduced the number of beet seedlings. "Mono-germ" seed was introduced commercially in one region in 1957 and by 1960 was used on about 30 percent of the beet acreage. Machine thinning of sugar beets was generally accepted in the late 1940's, and in 1960 it is estimated that almost 45 percent of the acreage was partially or completely machine-thinned. One outgrowth of this latter practice has been a gradual change by the remaining hand labor from "stoop" to "long-handled hoe" thinning. Meanwhile, progress has been made in other phases of the production operation through use of more efficient machines and implements, improved cultural practices, and the use of weedicides. In 1960, man-hours per ton of sugar had declined about 44 percent from the average for the period 1947-49. The most substantial decline was in the harvesting operation.

Influence of labor productivity on production inputs

Changes in labor productivity are reflected in, result from, or have an impact upon, the composition of total inputs, i.e., land, labor, and capital. Expenditures for research, machinery, equipment and other items must be made where necessary to achieve desired objectives. Additional land, on a purchase or rental basis, often must be committed to the cane or beet enterprise if the unit is not of sufficient size to utilize equipment economically. Where mechanization is an important factor in productivity, current expenditures are diverted from hand labor costs to fuels, repairs and maintenance, and other related costs of operating machines. Further, as machines become more complex it becomes necessary to substitute higher cost commercial repair and maintenance services for on-farm repair shop services. Other direct crop costs such as fertilizers, weedicides, and pesticides may become more important in the cost structure. Fixed costs -- taxes, interest, and depreciation -- also are affected. The number of workers employed usually declines and the composition of the labor force as between unskilled and skilled workers is altered. An examination of available information on the relationship between labor productivity and certain of these forces follows.

Productivity and Research

Programs of agricultural research have accounted for much of the improvement in productivity in sugar crops. The objectives of these programs differ greatly among the areas, the emphasis depending upon the urgency of the problem and the availability of funds and technicians.

Since World War II research activities have been stimulated by the necessity of finding ways to obtain more output per unit of input. Many projects were directed toward an immediate production problem, while others have longer run objectives to achieve greater productivity through more effective use of labor, capital, and management.

Federal, State and Commonwealth governments support sugar crop research but the total is small compared with the support provided by private sources such as processors, growers associations and manufacturers of farm machinery and fertilizers. In Hawaii, where the research program has been most extensive, the support has been almost entirely private.

One of the important phases of research has been the breeding of new varieties of sugarcane and sugar beet seed. In those areas where there has been a progressive replacement of older and less desirable varieties, yields of sugar per acre have increased. (Table 2).

Productivity and Farm Size

The average acreage per farm in the production of cane and beets for the domestic areas in 1960 was 45 acres, an increase of about 13 acres or 40 percent over the period 1947-49. Average acreage per farm in Florida increased 140 percent, from 1,626 to 3,900 acres; Louisiana 113 percent, from 52 to 111 acres; the Beet Area 60 percent, from 25 to 40 acres; and Hawaii (excluding small farms which account for about 10 percent of the acreage) 19 percent, from about 6,300 to 7,500 acres. In Puerto Rico acreage in cane decreased about 7 percent, from 27 to 25 acres.

Quite generally there has been a reduction in man-hours and, over the long term, a trend toward increased sugar production per acre as the size of farms increased. (Figure 4).

Productivity increased in Puerto Rico despite the decline in acreage of cane per farm but improvement was undoubtedly retarded because of this trend. In Hawaii and Florida the favorable rates of productivity are associated with large scale farm operations.

Productivity and Peak Employment

The peak number of persons working on sugar beet and sugarcane farms in the domestic areas declined from 334,000 in 1950 to 218,000 in 1960, a decrease of 35 percent. Aggregate man-hours used for production in all areas decreased 32 percent during the same period. The greatest decline in peak number of persons working occurred in Louisiana -- 43 percent -- while in the Beet Area and in Hawaii the decline was 33 percent and in Puerto Rico 36 percent. The peak number of persons working on sugarcane farms in Florida was 40 percent higher in 1960 than in 1950 reflecting the greatly enlarged volume of sugarcane production.

Table 2. -Percentage of acres by varieties of sugarcane and by types of sugar beet seed with yield comparisons, for selected periods

Variety of cane or type of seed	Percent of acres planted		Yields of sugar, raw value per harvested acre		
	1950	1960	1950	1960	Increase
	percent		tons	tons	percent
<u>Louisiana</u>			1.67	1.84	10.2
C.P. 36-105	25.0	10.3			
C.P. 34-120	22.2	-			
Co. 290	12.0	-			
C.P. 29-116	10.0	-			
C.P. 29-320	8.4	-			
C.P. 44-101	3.0	48.0			
N.Co. 310	-	21.0			
Other	19.4	20.7			
<u>Florida</u>			2.90	3.26	12.4
F. 31-436	47.3	5.0			
F. 31-962	27.6	.3			
Cl. 41-223	1.2	84.6			
Other	23.9	11.1			
<u>Hawaii</u>			8.78	9.03	2.8
32-8560	53.1	1.1			
37-1933	25.6	26.2			
32-1063	14.6	.4			
44-3098	-	26.1			
38-2915	3.8	19.3			
49-5	-	11.8			
Other	2.9	15.1			
<u>Puerto Rico</u>		1/	3.54	2.85 ^{1/}	-19.5
P.O.J.2878	62.4	35.2			
BH 10(12)	10.2	.5			
M 336	4.0	14.8			
B 37-161	-	16.4			
P.R. 980	-	11.7			
Other	23.4	21.4			
<u>Beet Area</u>			2.18	2.58	18.3
Processed	94.0	71.0			
Whole	6.0	-			
Monogerm	-	29.0			

1/ Applicable to 1958. Later data not available.

ACREAGE OF CANE OR BEETS PER FARM, INDEXES OF SUGAR YIELD PER ACRE AND MAN HOURS PER TON OF SUGAR

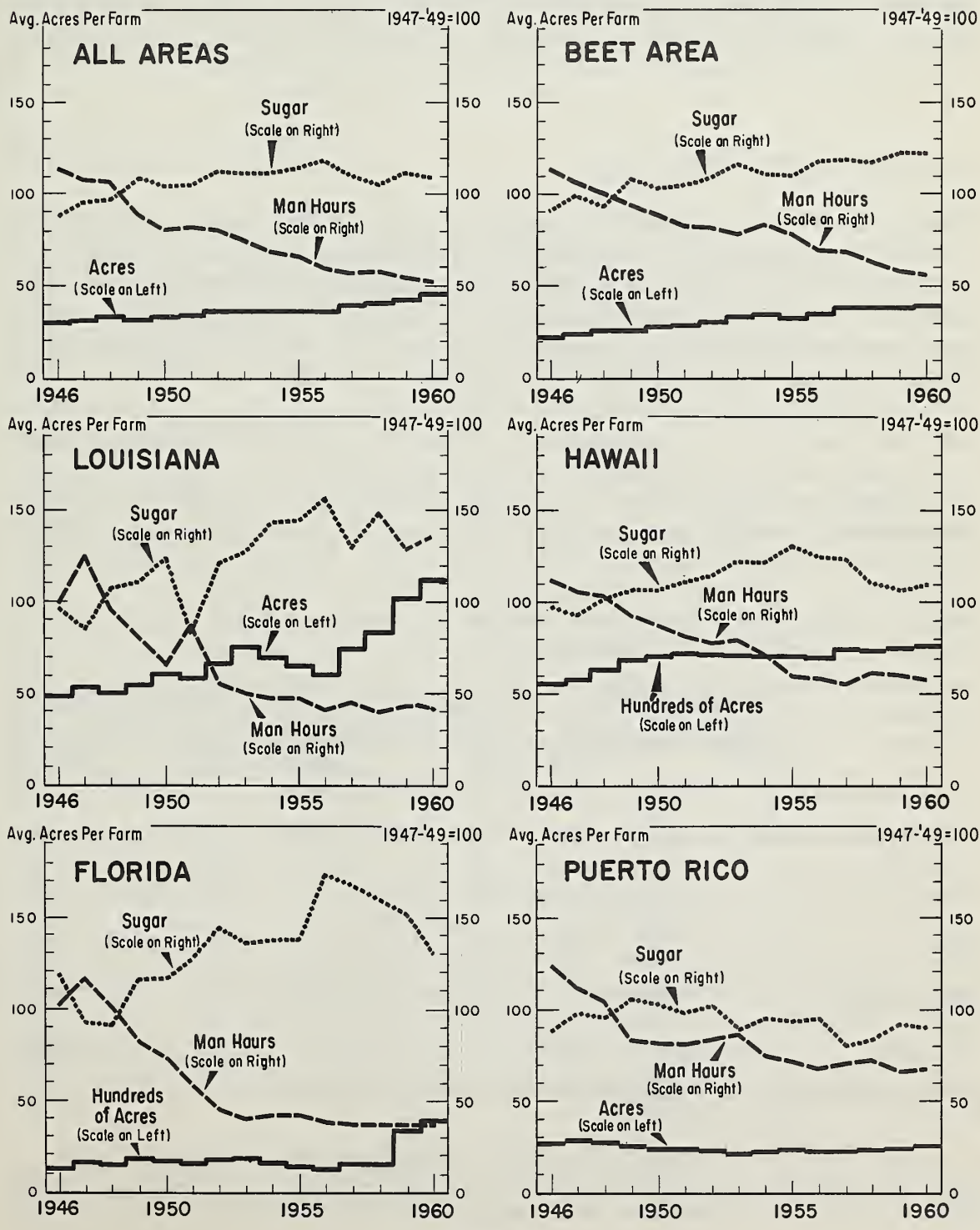


Figure 4

These data do not afford the basis for an appraisal in each area of the shift in skills of the work force nor the trends in weekly or annual employment. Collateral information indicates, however, that the skills of workers and the periods of employment have increased in most areas during the past decade.

Productivity and Labor Costs

Average labor costs per ton of sugar for all areas in 1960 decreased 13 percent from the 1947-49 average compared with a decrease of 48 percent in man-hour inputs. Average hourly earnings of fieldworkers, exclusive of fringe benefits, increased 66 percent. Including fringe benefits* average earnings per hour increased 74 percent. Comparisons for each of the areas are shown in Table 3.

The data indicate that technological gains on domestic cane and beet farms have been an important source of benefits to workers through increased earnings per hour. Such gains also have provided more producers with a margin of savings in labor costs to defray, in whole or in

Table 3. - Farm Labor Costs and Man-Hours Per ton of Sugar, and Hourly Earnings of Fieldworkers.

Area	: Labor Costs			: Man-Hours			: Hourly Earnings		
	: Per Ton Sugar ^{1/}			: Per Ton Sugar			: of Fieldworkers ^{1/}		
	: 1947 :	:Change:		: 1947 :	:Change:		: 1947 :	:Change:	
	: -49	: 1960	: %	: -49	: 1960	: %	: -49	: 1960	: %
Louisiana	\$48	\$36	-25	118	48	-59	\$.41	\$.74	+80
Florida	38	24	-37	58	22	-62	.66	1.11	+68
Hawaii	27	30	+11	30	17	-43	.93	1.74	+87
Puerto Rico	44	45	+ 2	134	89	-34	.33	.50	+52
Beet Area	33	27	-18	41	23	-44	.82	1.18	+44

^{1/} Excludes fringe benefits.

* Fringe benefits include such items as bonus and vacation pay, sick pay, retirement and pensions, welfare and recreation, village facilities, payroll taxes and insurance, and compensation insurance.

part, added costs for non-labor inputs and amortization of capital outlays for production facilities both of which were essential to the attainment of improved labor productivity. However, in Puerto Rico and Hawaii workers received through higher earnings essentially all of the savings in labor costs resulting from technological gains.

Description of Data Used

The product output used in this article is the total quantity of sugar produced since the essential element of sugar beet and sugarcane production is the processed commodity. To achieve comparability among areas, output is expressed in terms of short tons, raw value. The input factor represents aggregate man-hours utilized in the production of cane and beets, including field supervision, but excluding administrative and employee services man-hours. These output and input factors are not value weighted by prices or wages.

Man-hour inputs are developed from reliable sources but their construction varies slightly from area to area. In addition, the data for recent years are subject to revision as later information becomes available. In the sugarcane areas, man-hour inputs related to operations performed by contractors doing custom work are not included; such labor inputs generally are not extensive in sugarcane operations. Estimates of man-hour inputs for custom work are included in the beet area where such work is more significant. On-farm repairs and maintenance man-hours are included in the input series while off-farm repair service man-hours are not included.

Estimates of the peak number of persons working on sugarcane and sugar beet farms - hired workers as well as operator and family workers - have been developed for the period 1950 through 1960. These data are difficult to evaluate and both primary and secondary source material have been used in computing the estimates, which necessarily are less precise than the man-hours data. The peak season operation to which the data apply is the harvesting in Louisiana, Florida and Puerto Rico; "thinning" in the Beet Area; and the peak month of employment in Hawaii where production operations generally are carried on throughout the year.

Labor costs per ton of sugar are related to the man-hour inputs described above and include a value for the work performed by the operator and family labor.

ADMINISTRATIVE ACTIONS

<u>Date announced</u>	<u>Nature of action</u>
October 30, 1961	Determination of fair and reasonable prices for 1961 Florida sugarcane crop. The determination has been changed in some respects from the 1960-crop determination. (See November 2, 1961 Federal Register).
October 30, 1961	Determination of "fair and reasonable" wage rates for workers employed in the production, cultivation and harvesting of sugarcane in Louisiana. This determination becomes effective for harvesting work upon publication in the Federal Register, and for production and cultivation work on January 1, 1962. It will continue in effect until amended, superseded, or terminated. (See November 2, 1961 Federal Register).
October 30, 1961	Announcement that the acreage of 1962-crop sugarcane in the Mainland Cane Sugar Area (Louisiana and Florida) will not be restricted. (See November 2, 1961 Federal Register).
November 1, 1961	Local producing areas designated in Puerto Rico as eligible for abandonment and crop deficiency payments on the 1960-61 crop sugarcane. (See November 1, 1961 Federal Register).
November 3, 1961	Announcement that there will be no restrictions on marketings of 1961-62 crop sugarcane from individual farms in Puerto Rico. (See November 8, 1961-Federal Register).
November 6, 1961	Revision of 1961 marketing allotments for domestic beet sugar processors, substituting final data for estimated data previously used. (See November 9, Federal Register).

Date announcedNature of action

November 9,
1961

Public hearings announced on fair prices for the 1961-62 crop of sugarcane in Puerto Rico, and on fair wages for the 1962 calendar year and fair prices for the 1962 crop in the Virgin Islands. Place, date and local time of hearings follow:

At Santurce, Puerto Rico, in the Conference Room of the Agricultural Stabilization and Conservation Service Office, November 15, 1961 at 9:30 a.m.

At Christiansted, St. Croix, Virgin Islands, in the Government House, November 17, 1961 at 9:30 a.m.

The wage determination applicable to Puerto Rico is on a continuing basis, and no public hearing is being held this year on wages in this area. (See November 14, 1961 Federal Register).

November 9,
1961

Public hearing announced regarding allotment to processors of 1962 sugar quota for the Domestic Beet Sugar Area. The hearing will begin at 10 a.m. (EST), November 28, 1961 in Room 239-E, Administration Building, U. S. Department of Agriculture, Washington, D. C.

Purpose of the hearing is to receive evidence which will enable the Secretary of Agriculture to develop a method for establishing interim allotments to become effective on Jan. 1, 1962. After submission of evidence, the hearing will adjourn and reconvene on Feb. 8, 1962, at the same hour and location.

The reconvened hearing will be to receive additional evidence that will enable the Secretary of Agriculture to make fair, efficient and equitable distribution of the entire quota for the period Jan. 1 through June 30, 1962, and for the calendar year 1962, or a portion thereof. (See November 15, 1961 Federal Register).

STATISTICAL SERIES IN THIS ISSUEHIGHLIGHTS

1. October 1961 sugar deliveries for continental U. S. consumption, 791,000 short tons, raw value (preliminary), down about 120,000 tons from September 1961 but up 91,000 tons from October 1960. January-October 1961 deliveries 8,056,000 short tons, raw value (preliminary) up 196,000 tons, or 2.5 percent from same 1960 period. Final data for September 1961 deliveries, 911,000 tons -- previously published preliminary as 907,000 tons.

2. Primary distributors' stocks October 28, 1961 were 1,220,000 short tons, raw value (preliminary), down 145,000 tons from a year earlier, but up 335,000 tons from end September 1961. During October beet processors' stocks increased by about 338,000 tons and mainland sugarcane processors' stocks by about 20,000 tons; refiners' stocks remained about unchanged. Importers of direct-consumption stocks decreased by about 22,000 tons.

3. Charges to quotas through November 17, 1961 were 5,825,087 short tons, raw value; in addition, 2,880,993 tons of non-quota purchase sugar were authorized for entry, for a total of the two of 8,706,080 tons.

4. Regionally, January-September sugar deliveries this year, as compared with last year, were up, 1.8 percent to the Middle Atlantic region, 3.4 percent to the Western region and 4.2 percent to the North Central region. Deliveries were down 2.2 percent to the Southern region and 0.8 percent to the New England region.

Table 4. - Sugar supply and disposition by primary distributors, January-September 1961

(Short tons, raw value)

Item	Beet	Importers	Main-land cane	Refiners	Net total	
	processors		processors	Raw : Refined		
	(1)	(2)	(3)	(4)	(5)	(6)
SUPPLY						
1. <u>Inventory Jan. 1, 1961</u>	1,497,871	71,124	18,157	440,811 <u>2/</u>	298,674 <u>2/</u>	2,326,637
2. <u>Production and movement</u>						
a. Received as direct-consumption sugar	0	263,581	0	0	0	263,581
b. Produced from beets or cane	706,256	0	107,794	3,959	0)	718,452 <u>3/</u>
Less deliveries to refiners	0	0	99,557	0	0)	
c. Receipts of raws by refiners	0	0	0	4,955,781 <u>4/</u>	0)	- 85,382 <u>5/</u>
Less raws melted	0	0	0	5,041,153	0)	
d. Refined from raws melted	0	0	0	0	4,991,810	4,991,810
e. Adjustments	- 640	- 540	- 452	- 1,358	+ 2,193	- 797
f. Sub-total	705,616	263,041	7,785	- 82,781	4,994,003	5,887,664
3. <u>Net total supply</u>	2,203,487	334,165	25,942	358,030	5,292,677	8,214,301
DISPOSITION						
4. <u>Distribution for</u>						
a. Quota purposes	1,992,357	249,472	25,447	3,099	4,995,224	7,265,599
b. Export	0	2,908	0	0	39,786	42,694
c. Livestock feed	0	19,741	0	0	1,392	21,133
d. Sub-total	1,992,357	272,121	25,447	3,099	5,036,402	7,329,426
5. <u>Inventory September 30, 1961</u>	211,130	62,044	495	354,931 <u>6/</u>	256,275 <u>6/</u>	884,875
6. <u>Total distribution and inventory</u>	2,203,487	334,165	25,942	358,030	5,292,677	8,214,301

1/ Establishments that acquire no raw sugar from others for refining. Processor-refiners are included with refiners.

2/ Includes Mainland cane sugar not charged to quota: Raws, 22,824; Refined, 33,658; Total, 56,482.

3/ Production less deliveries of raw sugar to refiners.

4/ Includes 99,557 tons received from mainland cane processors.

5/ Receipts of raw sugar by refiners less melt.

6/ Includes mainland cane sugar not charged to quota: Raws, 0; Refined, 576; Total, 576.

Table 5. - Distribution of sugar by primary distributors, January-September 1961 and 1960

Item	1961	1960	Change 1960 to 1961
(Short tons, raw value)			
<u>Continental United States</u>			
Refiners' raw	3,099	2,895	+ 204
Refiners' refined	5,036,402	5,021,073	+ 15,329
Sub-total	5,039,501	5,023,968	+ 15,533
Beet processors' refined	1,992,357	1,668,876	+ 323,481
Importers' direct consumption	272,121	505,323	- 233,202
Mainland sugarcane processors'	25,447	21,517	+ 3,930
Total	7,329,426	7,219,684	+ 109,742
For: Export	42,694	39,401	+ 3,293
Livestock feed	21,133	19,880	+ 1,253
Continental consumption 1/	7,265,599	7,160,403	+ 105,196
<u>Puerto Rico</u>	80,572	84,309	- 3,737
<u>Hawaii</u>	35,776	35,439	+ 337

1/ Includes deliveries for United States Military forces at home and abroad.

Table 6. - Stocks of sugar held by primary distributors in the continental United States, September 30, 1961 and 1960

Item	1961	1960	Change 1960 to 1961
(Short tons, raw value)			
Refiners' raw	354,931	385,546	- 30,615
Refiners' refined	256,275	281,850	- 25,575
Sub-total 1/	611,206	667,396	- 56,190
Beet processors' refined	211,130	225,080	- 13,950
Importers' direct-consumption	62,044	91,420	- 29,376
Mainland sugarcane processors'	495	542	- 47
Total	884,875	984,438	- 99,563

1/ Included mainland cane sugar not charged to quota: 1961 - Raws, 0; Refined, 576; Total, 576; 1960 - Raws, 678; Refined, 1,634; Total, 2,312.

Table 7. - Distribution of sugar by primary distributors in the continental United States, October and January-October 1961 and 1960

October and January-October 1961 and 1960				
Item	1961 ^{1/}		1960	
	October	January-October	October	January-October
(Short tons, raw value)				
Refiners	556,599	5,596,100	518,014	5,541,982
Beet processors' refined	207,978	2,200,335	144,314	1,813,190
Importers' direct-consumption	25,040	297,161	41,365	546,688
Mainland sugarcane processors'	1,000 ^{2/}	26,447	682	22,199
Total	790,617	8,120,043	704,375	7,924,059
For: Export	N.A.	42,694	3,049	42,450
Livestock feed	N.A.	21,133	1,646	21,526
Continental consumption ^{3/}	790,617	8,056,216	699,680	7,860,083

1/ Preliminary. 2/ Estimated. 3/ Includes deliveries for U. S. military forces at home and abroad.

Table 8. - Stocks of sugar held by primary distributors in the continental United States, October 28, 1961 and October 31, 1960

Item	1961 1/	1960	Change 1960 to 1961
(Short tons, raw value)			
Refiners' raw	348,284	315,447	+ 32,837
Refiners' refined	263,099	259,343	+ 3,756
Sub-total	611,383	574,790	+ 36,593
Beet processors' refined	548,835	698,904	- 150,069
Importers' direct-consumption	39,718	81,906	- 42,188
Mainland sugarcane processors'	20,000 2/	8,921	+ 11,079
Total	1,219,936	1,364,521	- 144,585

1/ Preliminary. 2/ Estimated.

Table 9. - Mainland sugar: Production and quota charges January-September 1961 and 1960

Item	1961	1960	Change 1960 to 1961
(Short tons, raw value)			
Production			
Mainland cane	111,215	116,549	- 5,334
Domestic beet	705,616	670,597	+ 35,019
Total	816,831	787,146	+ 29,685
Quota charges			
Mainland cane:			
Louisiana sugarcane processors			
For further processing	4,394	219	+ 4,175
For direct-consumption	18,242	14,071	+ 4,171
Louisiana processor-refiners	59,779	38,103	+ 21,676
Florida sugarcane processors	101,702	120,199	- 18,497
Sub-total	184,117	172,592	+ 11,525
Beet processors	1,992,357	1,668,553	+ 323,804
Total	2,176,474	1,841,145	+ 335,329

Table 10. - Sugar receipts of refiners and importers by source of supply 1/ January-September 1961 and 1960

Source of Supply	Raw sugar		Direct-consumption sugar		Total	
	1961	1960	1961	1960	1961	1960
(Short tons, raw value)						
Offshore						
Foreign						
Cuba	0	1,942,352	0	324,490	0	2,266,842
Dominican Republic	348,103	113,042	24,739	10,237	372,842	123,279
Mexico	558,377	345,848	9,128	15,370	567,505	361,218
Peru	395,542	93,801	7,775	10,123	403,317	103,924
Philippines	1,115,203	937,112	33,746	35,385	1,148,949	972,497
Other countries	791,015	89,169	55,343	48,484	846,358	137,653
Sub-total	3,208,240	3,521,324	130,731	444,089	3,338,971	3,965,413
Domestic						
Hawaii	863,326	675,278	0 2/	5,937 2/	863,326	681,215
Puerto Rico	780,078	685,718	132,850	116,282	912,928	802,000
Virgin Islands	0	6,954	0	0	0	6,954
Sub-total	1,643,404	1,367,950	132,850	122,219	1,776,254	1,490,169
Total offshore	4,851,644	4,889,274	263,581	566,308	5,115,225	5,455,582
Mainland cane area	103,516	113,757	0	0	103,516	113,757
Acquired for reprocessing and samples	4,580	3,214	0	0	4,580	3,214
Grand total	4,959,740	5,006,245	263,581	566,308	5,223,321	5,572,553

1/ Includes sugar as detailed in Table 11. 2/ Refined sugar received by refiners.

Table 11. - Receipts of quota-exempt and over-quota sugar included in Table 10.

Purpose	Refiners		Importers		Total	
	1961	1960	1961	1960	1961	1960
(Short tons, raw value)						
For: Export	36,225	38,618	4,619	9,762	40,844	48,380
Livestock feed	921	1,238	40,643	29,435	41,564	30,673
Later release:						
Bonded	0	691	0	0	0	691
In customs custody	0	0	8,274	11,870	8,274	11,870
Total	37,146	40,547	53,536	51,067	90,682	91,614

Table 12. - Status of 1961 Sugar Quotas as of November 17, 1961

Table 11. Status of 1961 Sugar Quotas as of November 1, 1961							
Area	Quota	Credit	Change to quota & offset:		Unfilled		
		for	to drawback of duty 1/				
		drawback	Direct-			Total	Direct-
		of	consump-			Total	consump-
		duty	Total	tion		tion	
Short tons, raw value							
Domestic Beet	2,609,170		2,318,000			291,170	
Mainland Cane	715,000		303,000			412,000	
Hawaii 3/	1,030,000		984,064	52		45,936	34,164
Puerto Rico 3/	980,000		962,852 4/	142,872		17,148	5,434
Virgin Islands	17,330		-	-		17,330	-
Republic of the Philippines	980,000		971,234	47,060		8,766	8,766
Cuba	0		0	0		0	0
Other Foreign Countries	371,305	1,188	285,937	52,929		86,556	18,548
Total Quotas	6,702,805	1,188	5,825,087	242,913		878,906	66,912

Subject to Section

408 (b) of Act

3,297,195

(Allocated: 3,117,195) For status see Table 14.)

(Unallocated: 180,000)

Total Requirements

10,000,000

Details of other foreign countries

Peru	121,507	601	63,790	10,896	58,318	0
Dominican Republic	111,157	452	111,609	9,699	0	0 5/
Mexico	95,409		82,018	8,093	13,391	9,552
Nicaragua	17,471	16	4,655	4,655	12,832	6,981
Haiti	8,268	119	8,087	5,396	300	300
Netherlands	4,149		4,149	4,149	0	0 5/
China	3,980		2,266	678	1,714	1,714
Panama	3,980		3,980	3,980	0	0
Costa Rica	3,968		3,968	3,968	0	0
Canada	631		631	631	0	0 5/
United Kingdom	516		516	516	0	0 5/
Belgium	182		182	182	0	0 5/
British Guiana	84		83	83	1	1
Hong Kong	3		3	3	0	0 5/
Total	371,305	1,188	285,937 6/	52,929	86,556	18,548

LIQUID SUGAR 7/

Wine gallons of 72 percent total sugar content

Cuba			
Dominican Republic	830,894	5,796	825,098
Federation of West Indies	300,000	0	300,000

1/ These data include the following: (a) Domestic beet and Mainland cane sugar partly estimated, (b) all other sugar entered or authorized as of November 17, 1961. 2/ Includes raw sugar for direct-consumption from the Philippines, 11,337; Haiti, 5,396; and Hawaii, 52; Total, 16,785. 3/ Despite deficits declared, full quotas remain available as follows: Hawaii, 1,215,410 and Puerto Rico, 1,270,865. 4/ In addition, 202 tons of raw and 40 tons of direct-consumption sugar were brought in for subsequent return to Puerto Rico. 5/ Sugar held in Customs custody pending availability of quota: Belgium, 1,672; Canada, 1,165; Hong Kong, 43; Netherlands, 7,447; and the United Kingdom, 3,489. Held for quota-exempt purposes, 9,669 from the Dominican Republic. 6/ Under Sec. 212 (1) charges to quota exclude 2 tons from Sweden, 10 tons from France, Germany, Ireland, Poland, South Africa, and from each country listed. 7/ Under Sec. 212 (3) 540 gallons were entered from Australia, 2,211 from France, 839 from Italy, 13,732 from the United Kingdom, 447 from Poland, and 1,058 from West Germany.

Table 13. - Quota-exempt sugar entered under Section 211 (a) and 212 (4) as of October 31, 1961

Source	: Entered under bond: : for refining :	: Reexport :	: For : Feed :	: Total :
Short tons, raw value				
Argentina		0	5,062	5,062
Australia		89	0	89
Belgium		0	2,123	2,123
Brazil		15,978	0	15,978
Canada		842	48	890
Colombia		1,612	118	1,730
Dominican Republic	5,000	24,879	15,215	45,094
El Salvador		68	0	68
France		1,628	15,849	17,477
French West Indies		745	0	745
Mexico		801	259	1,060
Netherlands		1,474	3,106	4,580
Philippines		0	1,296	1,296
United Kingdom		87	1,345	1,432
Union of South Africa		520	1,634	2,154
Total	5,000	48,723	46,055	99,778

Table 14. - Status of 1961 non-quota purchase sugar as of November 17, 1961 ^{1/}

Country	January - March			April - December	
	Authorized for Entry				
	Further processing	Direct-consumption	Authorized for purchase	Authorized for entry	Unfilled balance
(Short tons, raw value)					
Dominican Republic	221,796	0	0	0	0
Peru	203,063	0	299,870	290,625	9,245
Mexico	191,168	0	398,423	325,827	72,596
Philippines	122,683	0	368,048	267,192	100,856
Nicaragua	14,974	0	9,897	4,604	5,293
China (Formosa)	11,503	0	154,543	154,543	0
Brazil	11,402	0	295,000	295,000	0
Federation of the West Indies and British Guiana	10,152	0	255,755	250,423	5,332
Colombia	6,007	0	40,000	40,042	0
Ecuador	5,989	0	30,000	26,466	3,534
El Salvador	2,000	0	10,000	7,351	2,649
Guatemala		1,991	15,000	0	15,000
Costa Rica		1,161	24,774	24,748	26
Panama		970	4,515	2,193 ^{2/}	2,322
Netherlands		1,450	4,388	4,388 ^{2/}	0
Canada		1,265	0	0	0
United Kingdom		1,034	0	0	0
Haiti	429		36,572	36,572	0
Belgium		357	1,092	1,091 ^{2/}	1
Hong Kong		6	19	11 ^{2/}	8
French West Indies			75,000	75,000	0
Australia			90,000	90,000	0
Paraguay			5,000	2,645	2,355
India			175,000	172,872	2,128
Total	801,166	8,234	2,292,896	2,071,593	221,345

^{1/} Authorizations exclude first 10 tons from Brazil, Colombia, Ecuador, El Salvador, Guatemala, Australia, French West Indies, Paraguay and India.

^{2/} All for direct-consumption.

Table 15. - Status of 1961 Sugar Quotas as of October 31, 1961

Area	Quota	Credit		Change to quota & offset		Unfilled balance	
		for	drawback	to drawback of duty 1/	Direct-	Direct-	consump-
		duty	of	Total	tion 2/	Total	tion
Short tons, raw value							
Domestic Beet	2,609,170			2,202,000		407,170	
Mainland Cane	715,000			208,000		507,000	
Hawaii 3/	1,030,000			950,557	52	79,443	34,164
Puerto Rico 3/	980,000			961,120 4/	14,867	18,880	7,439
Virgin Islands	17,330			0	0	17,330	0
Republic of the Philippines	980,000			924,313	45,729	55,687	14,191
Cuba	-	-	-	-	-	-	-
Other foreign countries	371,305	1,000		277,244	52,253	95,061	18,450
Total Quotas	6,702,805	1,000		5,523,234	238,901	1,180,571	74,244

Subject to Section
408 (b) of Act

3,297,195

(Allocated: 3,177,195)
(Unallocated: 180,000) For status see Table 17.)

Total Requirements

10,000,000

Details of other foreign countries

Peru	121,507	476	55,393	10,896	66,590	0
Dominican Republic	111,157	410	111,225	9,708	342	7 5/
Mexico	95,409	-	82,018	8,093	13,391	9,552
Nicaragua	17,471	12	3,970	3,970	13,513	7,666
Haiti	8,268	102	8,087	5,396	283	283
Netherlands	4,149		4,149	4,149	0	0 5/
China	3,980		3,039	678	941	941
Panama	3,980		3,980	3,980	0	0
Costa Rica	3,968		3,968	3,968	0	0
Canada	631		631	631	0	0 5/
United Kingdom	516		516	516	0	0 5/
Belgium	182		182	182	0	0 5/
British Guiana	84		83	83	1	1
Hong Kong	3		3	3	0	0 5/
Total	371,305	1,000	277,244 6/	52,253	95,061	18,450

LIQUID SUGAR 7/

Wine gallons of 72 percent total sugar content

Cuba			
Dominican Republic	830,894	5,796	825,098
Federation of West Indies	300,000	-	300,000

1/ These data include the following: (a) Domestic beet and Mainland cane sugar partly estimated, (b) all other sugar entered or authorized as of October 31, 1961. 2/ Includes raw sugar for direct-consumption from the Philippines, 11,337; Haiti, 5,396; and Hawaii, 52; Total, 16,785. 3/ Despite deficits declared, full quotas remain available as follows: Hawaii, 1,215,410 and Puerto Rico, 1,270,865. 4/ In addition, 202 tons of raw and 40 tons of direct-consumption sugar were brought in for subsequent return to Puerto Rico. 5/ Sugar held in Customs custody pending availability of quota: Belgium, 1,672; Canada, 1,165; Hong Kong, 43; Netherlands, 7,447; and the United Kingdom, 3,756. Held for quota-exempt purposes, 11,256 from the Dominican Republic. 6/ Under Sec. 212 (1) charges to quota exclude 2 tons from Sweden, 10 tons from France, Germany, Ireland, Poland, South Africa, and from each country listed. 7/ Under Sec. 212 (3) 540 gallons were entered from Australia, 2,211 from France, 839 from Italy, 12,982 from the United Kingdom, 447 from Poland and 1,058 from West Germany.

Table 16. - Quota-exempt sugar entered under Sections 211 (a) and 212 (4) as of October 31, 1961

Source	For		Total
	Reexport	Feed	
	Short tons, raw value		
Argentina	-	5,062	5,062
Australia	89	-	89
Belgium	-	2,123	2,123
Brazil	15,978		15,978
Canada	842	4	846
Colombia	1,612	118	1,730
Dominican Republic	18,448	14,742	33,190
El Salvador	68		68
France	1,628	15,849	17,477
French West Indies	745		745
Mexico	801	259	1,060
Netherlands	1,474	3,106	4,580
Philippines	-	1,296	1,296
United Kingdom	87	1,079	1,166
Union of South Africa	520	1,367	1,887
Total	42,292	45,005	87,297

Table 17. - Status of 1961 non-quota purchase sugar as of October 31, 1961 ^{1/}

Country	January - March		April - December		
	Authorized for Entry				
	Further	Direct-	Authorized	Authorized	Unfilled
	processing:	consumption:	for purchase	for Entry	balance
(Short tons, raw value)					
Dominican Republic	221,796	0	0	0	0
Peru	203,063	0	299,870	240,276	59,594
Mexico	191,168	0	398,423	314,116	84,307
Philippines	122,683	0	368,048	248,979	119,069
Nicaragua	14,974	0	9,897	4,604	5,293
China (Formosa)	11,503	0	154,543	154,543	0
Brazil	11,402	0	295,000	295,000	0
Federation of the West Indies and British Guiana	10,152	0	255,755	246,858	8,897
Colombia	6,007	0	40,000	40,042	0
Ecuador	5,989	0	30,000	26,466	3,534
El Salvador	2,000	0	10,000	7,351	2,649
Guatemala		1,991	15,000	0	15,000
Costa Rica		1,161	24,774	24,774	0
Panama		970	4,515	2,193 ^{2/}	2,322
Netherlands		1,450	4,388	4,388 ^{2/}	0
Canada		1,265	0	0	0
United Kingdom		1,034	0	0	0
Haiti	429		36,572	36,572	0
Belgium		357	1,092	1,091 ^{2/}	1
Hong Kong		6	19	11 ^{2/}	8
French West Indies			75,000	75,000	0
Australia			90,000	90,000	0
Paraguay			5,000	1,170	3,830
India			175,000	175,000	0
Total	801,166	8,234	2,292,896	1,988,434	304,504

^{1/} Authorizations exclude first 10 tons from Brazil, Colombia, Ecuador, El Salvador, Guatemala, Australia, French West Indies, Paraguay and India.

^{2/} All for direct-consumption.

Table 18. - Primary distribution of sugar, continental United States, by States, September 1961

State and region	Cane sugar refiners	Beet sugar processors	Importers of direct-consumption sugar	Mainland cane sugar mills	Total
Hundredweights ^{1/}					
New England					
Connecticut	128,321		430		128,751
Maine	75,813				75,813
Massachusetts	524,475		1,400		525,875
New Hampshire	37,509				37,509
Rhode Island	50,607		3,285		53,892
Vermont	28,349				28,349
Sub-total	845,074		5,115		850,189
Mid-Atlantic					
New Jersey	760,977		52,355		813,332
New York	1,625,002	80,307	49,858		1,755,167
Pennsylvania	1,136,402	60,551	99,486		1,296,439
Sub-total	3,522,381	140,858	201,699		3,864,938
North Central					
Illinois	780,090	884,528		28,698	1,693,316
Indiana	313,360	163,796			477,156
Iowa	63,264	155,430			218,694
Kansas	41,386	90,600		300	132,286
Michigan	253,865	372,307			626,172
Minnesota	41,008	197,912			238,920
Missouri	238,944	154,530		950	394,424
Nebraska	16,140	115,480			131,620
North Dakota	381	27,121			27,502
Ohio	625,936	322,765	350		949,051
South Dakota	2,080	50,603			52,683
Wisconsin	170,812	208,225			379,037
Sub-total	2,547,266	2,743,297	350	29,948	5,320,861
Southern					
Alabama	235,923				235,923
Arkansas	92,745	1,826			94,571
Delaware	28,850		1,830		30,680
District of Columbia	41,867		8,400		50,267
Florida	213,661		42,156	47	255,864
Georgia	442,748		197		442,945
Kentucky	213,664	5,516	5,350		224,530
Louisiana	321,500			2,085	323,585
Maryland	387,651	1,610	39,889		429,150
Mississippi	146,299			1,030	147,329
North Carolina	321,775		36,408		358,183
Oklahoma	101,848	29,501			131,349
South Carolina	161,106		2,110		163,216
Tennessee	281,240	12,001			293,241
Texas	590,964	118,479	3,754		713,197
Virginia	267,139		50,485		317,624
West Virginia	116,246	800	1,065		118,111
Sub-total	3,965,226	169,733	191,644	3,162	4,329,765
Western					
Alaska	5,612	155			5,767
Arizona	31,400	18,868			50,268
California	732,663	1,058,683			1,791,345
Colorado	9,518	125,122	- 1		134,640
Idaho	5,235	51,487			56,722
Montana	3,077	36,122			39,199
Nevada	3,583	4,394			7,977
New Mexico	12,019	19,933			31,952
Oregon	76,937	129,577	24,168		230,682
Utah	6,570	81,367			87,937
Washington	63,551	234,302	13,441		311,294
Wyoming	981	9,219			10,200
Sub-total	951,146	1,769,229	37,608		2,757,983
Grand total	11,831,093	4,823,117	436,416	33,110	17,123,736

^{1/} Reported as produced or imported and delivered except liquid sugar which is on a sugar solids content basis.

Table 19. - Primary distribution of sugar, continental United States, by States, Third Quarter, 1961

State and region	Cane sugar refiners	Beet sugar processors	Importers of direct- consumption sugar	Mainland cane sugar mills	Total
Hundredweights 1/					
New England					
Connecticut	355,413		6,601	180	362,194
Maine	217,378				217,378
Massachusetts	1,352,338		5,450	220	1,358,008
New Hampshire	110,578				110,578
Rhode Island	138,375		7,829		146,204
Vermont	83,614		2,000		85,614
Sub-total	2,257,696		21,880	400	2,279,976
Mid-Atlantic					
New Jersey	2,127,739		129,619		2,257,358
New York	4,468,043	191,824	186,006	213	4,846,086
Pennsylvania	3,078,595	180,388	276,566		3,535,549
Sub-total	9,674,377	372,212	592,191	213	10,638,993
North Central					
Illinois	2,272,836	2,636,191		75,265	4,984,292
Indiana	893,092	538,081	180	600	1,431,953
Iowa	166,916	547,144		1,200	715,260
Kansas	134,045	292,375		800	427,220
Michigan	711,542	1,214,083			1,925,625
Minnesota	111,925	619,932			731,857
Missouri	793,584	516,470		3,850	1,313,904
Nebraska	53,103	360,068		600	413,771
North Dakota	1,034	95,550			96,584
Ohio	1,733,209	890,802	1,350		2,625,361
South Dakota	8,595	161,345			169,940
Wisconsin	525,945	627,211			1,153,156
Sub-total	7,405,826	8,499,252	1,530	82,315	15,988,923
Southern					
Alabama	797,668				797,668
Arkansas	329,091	15,708			344,799
Delaware	73,800		3,610		77,410
District of Columbia	117,159		24,272		141,431
Florida	663,420		234,789	902	899,111
Georgia	1,407,989		1,618		1,409,607
Kentucky	726,797	20,659	6,100	1,965	755,521
Louisiana	1,069,848			3,414	1,073,262
Maryland	1,178,770	5,630	104,441		1,288,841
Mississippi	497,430			2,830	500,260
North Carolina	1,043,468		159,734	240	1,203,442
Oklahoma	337,498	97,087		340	434,925
South Carolina	511,669		19,850		531,519
Tennessee	946,115	15,001		100	961,216
Texas	1,978,803	375,848	14,613		2,369,264
Virginia	753,164		132,458	500	886,122
West Virginia	286,660	4,001	6,766		297,427
Sub-total	12,719,349	533,934	708,251	10,291	13,971,825
Western					
Alaska	15,804	4,705			20,509
Arizona	97,763	60,278			158,041
California	2,400,161	3,838,857	80,065		6,319,083
Colorado	21,946	391,302			413,248
Idaho	14,193	149,202			163,395
Montana	4,083	123,623			127,706
Nevada	17,396	14,087			31,483
New Mexico	28,756	63,870			92,626
Oregon	220,832	376,050	51,011		647,893
Utah	19,414	244,236			263,650
Washington	209,017	668,399	36,520		913,936
Wyoming	1,857	30,825			32,682
Sub-total	3,051,222	5,965,434	167,596		9,184,252
Grand total	35,108,470	15,370,832	1,491,448	93,219	52,063,969

1/ Reported as produced or imported and delivered except liquid sugar which is on a sugar solids content basis.

Table 20. - Primary distribution of sugar, continental United States, by States, January - September 1961

State and region	Cane sugar refiners	Beet sugar processors	Importers of direct-consumption sugar	Mainland cane sugar mills	Total
Hundredweights $\frac{1}{2}$					
<u>New England</u>					
Connecticut	982,753		27,671	680	1,011,104
Maine	548,403				548,403
Massachusetts	3,848,404		23,494	960	3,872,858
New Hampshire	288,354				288,354
Rhode Island	400,269		15,477		415,746
Vermont	226,877		2,400		229,277
Sub-total	6,295,060		69,042	1,640	6,365,742
<u>Mid-Atlantic</u>					
New Jersey	5,819,319		425,000	2,000	6,246,319
New York	12,364,134	425,050	617,003	663	13,406,850
Pennsylvania	8,304,047	446,975	934,393		9,685,415
Sub-total	26,487,500	872,025	1,976,396	2,663	29,338,584
<u>North Central</u>					
Illinois	6,142,291	7,241,322	1,805	254,531	13,639,949
Indiana	2,393,649	1,212,978	4,580	1,600	3,612,807
Iowa	453,047	1,293,892		20,600	1,767,539
Kansas	352,048	751,615		2,000	1,105,663
Michigan	1,993,906	3,101,354	6,416		5,101,676
Minnesota	299,754	1,631,299	3,050	3,690	1,937,793
Missouri	1,998,344	1,538,734		20,140	3,557,218
Nebraska	172,626	953,962		5,200	1,131,788
North Dakota	4,123	204,064			208,187
Ohio	4,655,182	2,161,449	8,426	1,100	6,826,157
South Dakota	24,013	420,057			444,070
Wisconsin	1,208,541	1,622,662	28,025	330	2,859,558
Sub-total	19,697,524	22,133,388	52,302	309,191	42,192,405
<u>Southern</u>					
Alabama	2,186,343			12,964	2,199,307
Arkansas	871,280	60,714		200	932,194
Delaware	195,106		11,990		207,096
District of Columbia	311,126		60,299		371,425
Florida	1,876,568	10	778,047	115,863	2,770,488
Georgia	4,244,121		27,459	15,564	4,287,144
Kentucky	1,890,803	57,245	25,815	9,102	1,982,965
Louisiana	2,929,004		263	27,588	2,956,855
Maryland	2,953,723	8,865	274,272		3,236,860
Mississippi	1,343,356			8,433	1,351,789
North Carolina	2,662,310		496,438	3,760	3,162,508
Oklahoma	916,556	261,788		340	1,178,684
South Carolina	1,365,087		51,862		1,416,949
Tennessee	2,741,018	35,001	330	40,437	2,816,786
Texas	5,446,586	1,039,108	44,634	4,870	6,535,198
Virginia	1,865,310	65,397	418,488	500	2,349,695
West Virginia	698,874	23,177	18,217		740,268
Sub-total	34,497,171	1,551,305	2,208,114	239,621	38,496,211
<u>Western</u>					
Alaska	31,846	14,299			46,145
Arizona	302,332	167,153			469,485
California	5,310,293	8,018,382	178,711	600	13,507,986
Colorado	64,980	875,862			940,842
Idaho	36,848	275,477			312,325
Montana	16,231	279,213			295,444
Nevada	49,875	37,288			87,163
New Mexico	83,565	171,615			255,180
Oregon	503,911	881,431	90,099		1,475,441
Utah	49,232	509,504			558,736
Washington	526,015	1,376,366	86,275		1,988,656
Wyoming	5,358	77,690			83,048
Sub-total	6,980,486	12,684,280	355,085	600	20,020,451
<u>Grand total</u>	93,957,741	37,240,998	4,660,939	553,715	136,413,393

1/ Reported as produced or imported and delivered except liquid sugar which is on a sugar solids content basis.

Table 21.- Primary distribution of sugar, Continental United States, by states, January-September 1961 and 1960

State and region	Cane sugar refiners		Beet processors		Total all Primary Distributors ^{2/}	
	1961	1960	1961	1960	1961	1960
Thousands of hundredweights ^{1/}						
New England						
Connecticut	983	988			1,011	1,037
Maine	549	544			549	551
Massachusetts	3,848	3,806			3,873	3,893
New Hampshire	288	282			288	283
Rhode Island	400	391			416	416
Vermont	227	173			229	238
Sub-total	6,295	6,184			6,366	6,418
Mid-Atlantic						
New Jersey	5,820	5,671			6,246	6,223
New York	12,364	11,614	425	118	13,407	13,044
Pennsylvania	8,304	7,783	447	117	9,686	9,566
Sub-total	26,488	25,068	872	235	29,339	28,833
North Central						
Illinois	6,142	6,079	7,241	6,361	13,640	12,650
Indiana	2,394	2,588	1,213	833	3,613	3,447
Iowa	453	455	1,294	1,229	1,767	1,691
Kansas	352	383	752	769	1,106	1,152
Michigan	1,994	2,492	3,101	2,051	5,102	4,716
Minnesota	300	316	1,631	1,637	1,938	1,954
Missouri	1,998	2,300	1,539	1,059	3,557	3,362
Nebraska	173	196	954	1,000	1,132	1,196
North Dakota	4	7	204	260	208	267
Ohio	4,655	6,076	2,162	842	6,826	7,016
South Dakota	24	23	420	373	444	396
Wisconsin	1,209	1,073	1,623	1,501	2,859	2,628
Sub-total	19,698	21,988	22,134	17,915	42,192	40,475
Southern						
Alabama	2,186	2,348			2,199	2,352
Arkansas	871	922	61	30	932	952
Delaware	195	175			207	187
District of Columbia	311	366			371	413
Florida	1,877	1,233	*	*	2,770	2,969
Georgia	4,244	3,906			4,287	4,317
Kentucky	1,891	1,912	57	8	1,983	2,011
Louisiana	2,929	2,805			2,957	2,832
Maryland	2,954	2,866	9	*	3,237	3,152
Mississippi	1,343	1,575			1,352	1,586
North Carolina	2,662	2,559			3,163	3,334
Oklahoma	917	986	262	225	1,179	1,215
South Carolina	1,365	1,355			1,417	1,454
Tennessee	2,741	2,755	35		2,817	2,834
Texas	5,447	5,358	1,039	1,002	6,535	6,443
Virginia	1,865	1,722	65	2	2,350	2,521
West Virginia	699	724	23		740	771
Sub-total	34,497	33,567	1,551	1,257	38,496	39,343
Western						
Alaska	32	24	14	13	46	37
Arizona	302	280	167	158	469	438
California	5,310	5,458	8,019	7,375	13,508	13,051
Colorado	65	65	876	806	941	872
Idaho	37	36	275	274	312	310
Montana	16	17	279	263	295	280
Nevada	50	54	37	32	87	86
New Mexico	84	104	171	150	255	254
Oregon	504	471	882	817	1,476	1,410
Utah	49	43	510	524	559	567
Washington	526	556	1,376	1,276	1,989	1,961
Wyoming	5	6	78	83	83	89
Sub-total	6,980	7,114	12,684	11,771	20,020	19,355
Grand total	93,958	93,921	37,241	31,188	136,413	134,424

^{1/} Reported as produced or imported and delivered except liquid sugar which is on a sugar solids content basis.

^{2/} Includes deliveries by importers of direct-consumption sugar and mainland cane sugar mills.

* Less than 500 hundredweights.

Table 22. - Sugar prices

Year and Month	:Raw cane sugar-spot prices:			Quota 3/ :	Refined Beet Sugar - Quoted		
	:Domestic :			: Premiums :	Wholesale (Gross) 4/		
	:Sugar at N.Y.:	"World" 2/:		: and :		Chicago :	Pacific
	:Duty Paid 1/ :	Sugar 2/:	Discounts :	Eastern :	West :	Coast	
Cents per pound							
1956-60 Monthly Average	6.23	3.65	+1.65	8.65	8.62	8.97	
1959 Monthly Average	6.24	2.97	+2.38	8.71	8.67	9.10	
1960 Monthly Average	6.30	3.14	+2.21	8.79	8.77	8.96	
1960							
November	6.53	3.25	+2.35	8.75	8.89	8.95	
December	6.46	3.25	+2.27	8.59	8.80	8.95	
1961							
January	6.39	3.03	+2.44	8.44	8.74	8.95	
February	6.32	2.97	+2.45	8.35	8.80	8.95	
March	6.25	2.97	+2.40	8.26	8.75	8.92	
April	6.25	3.14	+2.20	8.25	8.60	8.80	
May	6.46	3.35	+2.18	8.25	8.61	8.80	
June	6.48	3.20	+2.33	8.35	8.75	8.80	
July	6.39	3.05	+2.38	8.35	8.42	8.80	
August	6.06	2.80	+2.29	8.35	8.40	8.80	
September	6.06	2.69	+2.41	8.35	8.40	8.80	
October	6.19	2.73	+2.50	8.35	8.40	8.80	
Last 12-Month Average	6.32	3.04	+2.35	8.39	8.63	8.86	
Year and Month	:	Refined Cane Sugar - Quoted Wholesale (Gross) 4/			:	Refined	
	:	New :	South :	:	Chicago :	Pacific :	U. S.
	:	York :	East :	Gulf :	West :	Coast :	Average
	:						
Cents per pound							
1956-60 Monthly Average	9.19	9.07	9.06	8.83	9.03	11.18	
1959 Monthly Average	9.33	9.19	9.28	8.88	9.10	11.43	
1960 Monthly Average	9.43	9.40	9.39	8.97	8.96	11.63	
1960							
November	9.70	9.60	9.50	9.09	8.95	11.88	
December	9.40	9.45	9.50	9.00	8.95	11.88	
1961							
January	9.55	9.45	9.50	8.89	8.95	11.88	
February	9.55	9.39	9.50	8.80	8.95	11.88	
March	9.55	9.30	9.50	8.80	8.92	11.88	
April	9.45	9.30	9.50	8.80	8.80	11.86	
May	9.41	9.31	9.42	8.81	8.80	11.84	
June	9.55	9.45	9.25	8.95	8.80	11.82	
July	9.40	9.41	9.07	8.66	8.80	11.78	
August	9.36	9.20	9.00	8.60	8.80	11.74	
September	9.30	9.10	9.00	8.60	8.80	11.64	
October	9.19	9.05	9.00	8.60	8.80		
Last 12-Month Average	9.45	9.33	9.34	8.80	8.86	11.83 5/	

1/ Spot prices during 1956-60 were for sugar in bags under Contract No. 6 plus .50 cents per pound duty (Cuban). Beginning with 1961, spot prices are for bulk sugar under Contract No. 7, the terms of which are duty paid or duty free.

2/ Spot prices during 1956-60 based on No. 4 Contract which was for bagged sugar F. A. S. Cuba. Beginning with 1961 spot prices are those under No. 8 Contract which is also for bagged sugar but F. O. B. and stowed at Greater Caribbean ports (including Brazil).

3/ For 1956-1960 these amounts are the difference between the spot prices of the No. 6 "Domestic" Contract rolled back to Cuba (minus freight and insurance) and the spot prices of the No. 4 "World" Contract. Beginning with 1961 the No. 7 "Domestic Bulk" Contract has been adjusted by deducting duty (.625¢), computed freight, insurance and unloading charges, and adding the bag allowance (currently .04¢) before calculating the differential from No. 8 "World" Contract spot prices.

4/ These are basis prices in 100 pound paper bags, NOT delivered prices. To obtain delivered prices add "Freight Prepay" and deduct discounts and allowances. For illustration see Sugar Reports 81, January 1959, pages 5 to 9.

5/ 11-Month Average.

Table 23. - Refined sugar production and month-end stocks

Year and Month	Production		Month-end Stocks ^{1/}	
	Cane sugar	Beet	Cane sugar	Beet
	refiners	processors	refiners	processors
1,000 short tons, raw value				
1956-60 monthly average	524	182	295	838
1959 monthly average	529	186	317	823
1960 monthly average	542	203	312	915
<u>1960</u>				
November	508	625	278	1,163
December	510	526	299	1,498
<u>1961</u>				
January	468	246	311	1,596
February	426	17	305	1,427
March	555	24	334	1,250
April	492	76	347	1,151
May	636	55	274	991
June	573	45	303	786
July	579	44	306	562
August	685	93	312	362
September	580	106	256	211
October ^{2/}	580	575	263	580
Last 12-month average	549	203	299	965

^{1/} Includes over-quota and quota exempt sugar.^{2/} Preliminary.

UNITED STATES DEPARTMENT OF AGRICULTURE
Agricultural Stabilization and Conservation Service
Sugar Division
Washington 25, D. C.

POSTAGE AND FEES PAID

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